LEGISLATIVE ASSEMBLY
of BRITISH COLUMBIA

Quarterly Financial Report for the Second Quarter of 2025-2026

As of September 30, 2025 (unaudited)

Presented to the Legislative Assembly Management Committee

Legislative Assembly Management Committee – March 17th, 2026
Quarter 2 Financial Report – Fiscal Year 2025-26

Contents

Section 1 Overview

This report is presented to the Legislative Assembly Management Committee and provides an overview of the Legislative Assembly's unaudited financial results for the second quarter of the 2025-26 fiscal year, including a summary of the actual results for the period and the forecast for expenditures to the end of the fiscal year compared to the approved budget and the results of the prior year.

Section 2 Executive Summary

As of September 30, 2025, the Legislative Assembly of British Columbia (the Assembly) has incurred $59.709 million of its $138.852 million operating budget and is forecasting to be $3.636 million (3%) under budget at year-end. The Assembly is forecasting savings in several areas and has allocated $1.2 million to additional service items through mid-cycle funding requests.

The forecasted operational savings are the result of lower utilization of the amortization budget, Members deciding to decline their inflationary salary adjustment, Members' transitional assistance savings, savings in contracted services, as well as lower than budgeted projections for the asset retirement obligation. The Assembly is currently forecasting some of these savings to be offset by increased levels of expenditures within constituency operations, where the ongoing constituency office tenant improvements have cost more than the original budget allocation.

The Assembly is forecasting to be $1.619 million (11%) under spent in its capital budget. Figures 1 and 2 below provide a high-level summary of the second quarter results and forecasted spending to the end of the fiscal year.

Figure 1: Summarized Operating Expenses and Capital Expenses

2025-26 Operating Expenditures by Budget Category
At September 30, 2025

	Actuals Year-to-Date	Forecast	Budget	Variance Forecast to Budget (Over) Under	Variance Forecast to Budget %
Caucus Operations	4,965,751	11,150,731	11,150,731	0	0%
Constituency Operations	16,120,191	38,289,822	37,202,737	(1,087,085)	-3%
Members' Remuneration	8,330,532	21,145,367	23,245,200	2,099,834	9%
Independent Respectful Workplace Office	72,853	250,000	250,000	-	0%
Parliamentary Operations	840,109	2,199,814	2,684,160	484,346	18%
Legislative Assembly Administration	26,987,603	54,560,552	55,621,859	1,061,307	2%
General Centralized and Accounting	2,391,705	6,546,820	7,624,917	1,078,098	14%
Total Operating	59,708,745	135,215,359	138,852,000	3,636,380	3%
Total Capital	2,644,679	9,563,716	10,732,000	1,169,010	11%

Figure 2: Capital Expenditures by Asset Category

2025-26 Capital Expenditures by Asset Categories At September 30, 2025					
Asset Category	**Actuals (Year-To-Date)**	**Forecast**	**Budget**	**Variance** Forecast to Budget (Over) Under	**Variance Forecast to Budget** %
Office Furniture and Equipment	**32,052**	**364,632**	**349,227**	**(15,405)**	**-4%**
Computer Hardware / Software (HW / SW)	**998,108**	**1,826,608**	**1,473,000**	**(353,608)**	**-24%**
Building/Land Improvements	**1,266,346**	**3,952,928**	**4,800,000**	**847,072**	**18%**
Specialized Equipment	**348,172**	**3,419,548**	**4,109,500**	**689,952**	**17%**
Total Capital	**2,644,679**	**9,563,717**	**10,732,000**	**1,168,010**	**11%**

Section 3 Operating Summary

At the end of Quarter 2, the Assembly has overall forecasted operating savings of $3.636 million (3%) to year-end, despite the budget pressures from Constituency Operations.

Figure 3: Operating Expenditures by Category Compared to Budget

Fiscal 2025-26 - LAMC Approved Operating Budget to Actuals September 30, 2025					
Budget Category	2025-26 Actuals (*Unaudited*)	2025-26 Forecast	2025-26 Budget	Forecast to Budget (Over) Under	Variance (%)
B.C. Green Caucus	318,413	667,000	667,000	-	0%
B.C. NDP Caucus	1,594,589	3,469,617	3,469,617	-	0%
B.C. United Caucus	6,527	-	-	-	0%
Conservative Party of B.C.	2,825,129	5,366,000	5,366,000	-	0%
OneBC Caucus	126,206	621,000	621,000	-	0%
Independents	94,887	430,114	430,114	-	0%
Caucus Operations Unassigned	-	597,000	597,000	-	0%
Caucus Operations	**4,965,751**	**11,150,731**	**11,150,731**	**-**	**0%**
Constituency Operations	**16,120,191**	**38,289,822**	**37,202,737**	**(1,087,085)**	**-3%**
Members' Remuneration	**8,330,532**	**21,145,367**	**23,245,200**	**2,099,834**	**9%**
Independent Respectful Workplace Office	**72,853**	**250,000**	**250,000**	**-**	**0%**
Interparliamentary Relations	104,493	357,000	360,000	3,000	1%
Office of the Speaker	200,555	377,213	381,120	3,907	1%
Parliamentary Committee Operations	466,787	1,171,000	1,648,040	477,040	29%
Parliamentary Documents	68,274	294,600	295,000	400	0%
Parliamentary Operations	**840,109**	**2,199,814**	**2,684,160**	**484,346**	**18%**
Client and Support Services	4,423,812	9,899,956	10,350,492	450,536	4%
Information Services	6,419,433	10,491,481	10,270,418	(221,063)	-2%
Parliamentary Support Services	5,537,998	11,115,808	11,159,513	(43,704)	0%
Precinct Services	3,290,772	8,379,659	9,227,109	847,449	9%
Security Services	5,145,266	11,543,218	11,489,131	(54,087)	0%
Enterprise Resource Planning	2,170,323	3,130,430	3,125,196	(5,234)	0%
Legislative Assembly Administration	**26,987,603**	**54,560,552**	**55,621,859**	**1,061,307**	**2%**
General Centralized and Accounting Expenditures	**2,391,705**	**6,546,820**	**7,624,917**	**1,078,098**	**14%**
Total	**59,708,745**	**135,215,359**	**138,852,000**	**3,636,380**	**3%**

***Caucus Operations*:** This category reflects the operations of the caucuses and their staff. Caucus Operations budget allocations are formula driven based on the number of MLAs in each party. The 2025/26 budgeted amounts are adjusted and prorated to reflect the makeup of the Caucuses on September 30th. This category also includes centralized funding for learning opportunities and certain benefits for Caucus employees. The unassigned budget reflects a budgetary allocation to cover the increased expenditures related to independent members. At this time, All Caucuses forecasts have been held at full spend to year end.

***Constituency Operations*:** This category reflects the overall costs of operating the constituency offices across the province as well as some centralized budget items. Specifically, it includes the constituency office allowance which is allocated to each Member to run their Constituency Office including staffing and centralized expenditures such as leasing costs, tenant improvements, constituency staff benefits, and the technology costs related to these operations.

Year-to-date expenditures within Constituency Operations totals $16.120 million and are mostly attributed to constituency office leases of $3.85 million, Constituency Office Allowances of $8.06 million, Constituency Office Assistant benefits of $1.33 million, technology-related costs of $2.05 million and tenant improvement costs of $380 thousand. As of September 30th, 2025, Constituency Operations are forecasting a pressure of $1.087 million due to the requirement for tenant improvements to be paid in the current year and pressures related to information technology costs.

The 2025/26 budget was established on the assumption that tenant improvements for 6 full constituency office sites and 8 secondary sites would be paid up front. The budget assumed 18 additional sites would have tenant improvements within the year that would be included within the lease payment. As of September 30th, the Assembly is forecasting a significant increase in the number of constituency office tenant improvements paid in full instead of included in lease payments.

***Members' Remuneration*:** This category includes the compensation, benefits, allowances, travel and other direct costs for the Members of the Legislative Assembly.

Year-to-date actuals within Members' Remuneration are $8.330 million and are mostly attributed to the regular salary and benefits for members. Salaries and benefits represent $9.09 million of the year-to-date actuals within Members' Remuneration with the remaining year-to-date actuals relating to Capital City Living Allowance of $629 thousand, Travel related expenditures of $1.07 million and year-to-date transitional assistance for members of $1.68 million. In the previous fiscal year, $4.284 million was accrued for transitional assistance for non-returning Members. The actual full-year forecast for the program in the current year is $3.857 million for a savings of $427 thousand.

***Independent Respectful Workplace Office (IRWO)*:** The IRWO was created in 2020-21 to support, promote and sustain positive workplace interactions between Members, caucus staff, ministerial staff, employees of the Assembly and other participant groups that come under the Respectful Workplace Policy. Since April 2023, the IRWO has been operated by Southern Butler Price LLP, a service provider selected through a competitive procurement opportunity. The expenditures relate to the development and delivery of educational materials and training, website development and general support services.

Year-to-date expenditures within the Independent Respectful Workplace Office are $72 thousand. The full budget is forecasted to be spent. The utilization rate of the IRWO contract is mostly unknown and will be refined as the year continues. Savings as a result of underutilization will help to offset pressures in other service lines.

***Parliamentary Operations*:** This category summarizes the parliamentary support activities within the Assembly and includes services such as Interparliamentary Relations, the Office of the Speaker, Parliamentary Committees and Legislative Documents. The budget and expenditures in this category are directly impacted by the volume and nature of the Parliamentary activity within the Assembly during the period.

Year-to-date expenditures within Parliamentary Operations are $840 thousand representing 31% of the annual budget. The budget for 2025-26 was increased to account for parliamentary activity expected during a full year of session. Parliamentary Operations is forecasting savings of $484 thousand as a result of less committee travel, less meetings being held outside of sessions, and less meetings forecast to be held outside of Victoria. This is contributing to savings for Member travel expenses and advertising as fewer committee meetings are held in the year and outside of Victoria/Lower Mainland.

***Legislative Assembly Administration*:** This category summarizes the activities within the various departments of the Legislative Assembly Administration. The expenditures are tracked across several subcategories that represent groups of departments within the administration which support the work of the Members, Caucuses and Constituency Offices in a variety of critical roles. The six subcategories are Client and Support Services, Information Services, Parliamentary Support Services, Precinct Services, Security Services, and Enterprise Resource Planning.

Year-to-date expenditures for the Assembly Administration are $26.988 million or 49% of the annual budget. The most significant operating expenditures are salaries and benefits which account for 72% of the year-to-date expenditures. The Assembly Administration is currently forecasting savings of $1.061 million, resulting from delayed hiring, increased recoveries, savings from contracted services, and savings in operating activities.

***General Centralized and Accounting (GCA)*:** The most significant expenditures within this category are the non-cash accounting entries such as amortization and the asset retirement obligation. The category also includes centralized expenditures such as parental leave and office supplies which are not easily budgeted to a specific department. The year-to-date expenditures for General Centralized and Accounting are $2.392 million. The most significant expenditure within GCA is the annual amortization of assets, which accounts for $2.278 million of the year-to-date expense. Forecasted expenditures within GCA will also include the asset retirement obligation for the Assembly which will initially be realized in December, with updates closer to the end of the fiscal year. The overall forecast for GCA is savings of $1.078 million. For this forecast, we are not reflecting an updated inflation rate for the calculation of the asset retirement obligation.

The budget for 2025/26 also included $1.078 million of contingencies to offset anticipated high risk, and high likelihood items that could affect the Assembly in 2025/26. These amounts are fully forecasted, until further forecasting refinements can be made later in the year.

Section 4 Capital Expenditures

This year, the Administration prioritized finishing key infrastructure projects, continuing to boost project management practices, and enhancing planning and resource allocation. The capital budget is made up of both regular maintenance and renewal projects and specific projects and initiatives. The projects are summarized into programs such as Major Capital Infrastructure, IT infrastructure, Minor Capital and other initiatives. Each project is also given an asset category which aligns the capital spend with the appropriate accounting policy for amortization and financial statement reporting. These asset categories summarize the assets by type based on their useful life and include Building Improvements, IT Infrastructure, Specialized Equipment, and Office Furniture.

As of September 30th, the capital budget is forecasted to have savings of $1.168 million.

Key capital projects in each category this year include the following:

- IT Infrastructure: This category includes all information technology hardware and infrastructure costs for a total budget of $3.795 million and a forecast of $3.706 million to year-end.
- Major Capital Infrastructure: This category includes all building improvements and space modernization for a total budget of $4.325 million and a forecast of $4.120 million to year-end.
- Minor Capital: This category is made up of building improvements and specialized equipment or office furniture for a total budget of $1.187 million and a forecast of $1.013 million to year-end.

Contingency Funds: A remaining contingency budget of $50 thousand is set aside to manage unexpected financial demands, such as cost overruns, change orders, or unanticipated projects during the year. At present, the contingency fund has been utilized for the emergence of the urgent armouries repair work identified in early April. There is also $1.375 million in to cover asset retirement obligations that is forecasted at $725 thousand to be used this year. The capital Contingency Fund is projected to have $700 thousand in savings.

Pressures on specific projects have been mitigated by reprioritizing other initiatives. Figure 4 includes a summary by program and category.

Figure 4: Summary of Capital Expenditures by Program and Asset Category

Forecast to Capital Budget: Fiscal 2025-26 September 30, 2025						
Program	Category	Actuals	Forecast	Budget	Variance Forecast to Budget (Over) Under	Variance %
IT Infrastructure	Computer Hardware and Software	961,187	1,789,687	1,473,000	(316,687)	-21%
	Specialized Equipment and Office Furniture	329,049	1,916,757	2,322,000	405,243	17%
IT Infrastructure Total		**1.290,236**	**3,706,444**	**3,795,000**	**88,556**	**2%**
Major Capital Infrastructure	Building Improvements	1,103,003	2,863,129	3,475,000	611,871	18%
	Specialized Equipment	106,472	1,256,472	850,000	(406,472)	-48%
Major Capital Infrastructure Total		**1,209,475**	**4,119,601**	**4,325,000**	**205,399**	**5%**
Minor Capital	Building Improvements	93,910	295,366	350,000	54,634	16%
	Specialized Equipment and Office Furniture	36,767	396,015	487,500	91,485	19%
	Office Furniture & Equipment	14,292	321,291	349,000	27,936	8%
Minor Capital Total		**144,968**	**1,012,671**	**1,186,500**	**174,055**	**15%**
Contingency	Unallocated	-	-	50,000	50,000	100%
	Building Improvements	-	725,000	1,375,000	650,000	47%
Contingency Total		**-**	**725,000**	**1,425,000**	**700,000**	**49%**
Grand Total		**2,644,679**	**9,563,716**	**10,732,000**	**1,168,011**	**11%**

During the budgeting process, best efforts are made to accurately split each program by asset category. Actual classification by category may vary, resulting in variances by category while the overall program remains on budget. For example, under the IT Infrastructure program, budgeted purchases of Specialized Equipment were better classified as Information Systems resulting in an overspend in one category and an offsetting underspend in the other.

Section 5 Appendices

1) Operating Expenditures by Function